

#### UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

## REGION 6 1201 ELM STREET, SUITE 1200 DALLAS, TEXAS 75270-2102

May 11, 2022

Mr. Jeff Ballard President and CEO Texas GulfLink, LLC 8333 Douglass Ave, Ste 400 Dallas, TX 75225

RE: Incomplete Application Determination – Clean Air Act (CAA) Synthetic Minor New Source

Review (NSR) and Title V Permit Applications for the Texas GulfLink, LLC (TGL) Deepwater

Port (DWP) Proposed Project, Located in the Gulf of Mexico.

Dear Mr. Ballard:

The United State Environmental Protection Agency (EPA) has reviewed your Synthetic Minor NSR and Title V permit applications for the TGL DWP proposed project. EPA received both CAA permit applications on April 22, 2022. EPA has determined that your CAA permit applications are incomplete at this time. Enclosed with this letter, find detailed information needed so we can continue our review. Please notify us if a complete response is not possible by June 21, 2022.

The requested information is necessary for EPA to develop a Statement of Basis and specific terms and conditions of a draft proposed permit. After we receive the requested information, we may need to request additional clarifying or supporting information. If the supporting information substantially changes the original scope of the permit application, an amendment or new application may be required.

EPA may not issue a final permit without determining that there will be no effects on threatened or endangered species or their designated critical habitat, or until it has completed consultation under Section 7(a)(2) of the Endangered Species Act (ESA) (16 USC § 1536). In addition, EPA must undergo consultation pursuant to Section 106 of the National Historic Preservation Act (NHPA) (16 USC § 470f). As a cooperating federal review agency, EPA will be working with the U.S. Coast Guard (USCG) and the U.S. Maritime Administration (MARAD) to assist in the TGL Deepwater Port Act (DPA) License Application review and the development of an Environmental Impact Statement (EIS). EPA will rely on the review and concurrences received in the development of the EIS to fulfill other the regulatory obligations such as ESA and NHPA.

If you have any questions concerning the enclosed comments or the review of your permit applications,
please feel free to contact me directly at (214) 665-6772, or Brad Toups of my staff at (214) 665-7258.
Sincerely,

Cynthia Kaleri Chief, Air Permits

Enclosure

## **ENCLOSURE**

## **EPA Region 6 Permit Applications Completeness Review**

# Texas GulfLink LLC (TGL) Synthetic Minor NSR and Part 71 Permit Applications

### **General Preconstruction Authorization Related**

- 1) The application submittal relies upon AP-42 factors for the most part, augmented by crude specific parameters in some cases to characterize the crude to be handled through the port. In particular, TGL has partially characterized the hazardous air contaminant constituents of Bakken crude oil, but did not include the hexane component of that particular crude oil. Please provide a reasoned explanation for not including such constituents in your analysis. In addition, there seems to be some conflict between the explanation of the crude oil characterization in the minor NSR application and that explanation in the corresponding Title V application; the crude oil characterizations in both applications should be the same. Finally, reference to the methods proposed to be used once operations begin in order to estimate and demonstrate compliance with the emissions limitations for the handling of the crude oil actually transferred could not be located. Please provide your calculational methodology and references/justifications for your proposed emission estimation methods to be used. This is necessary so that emissions factors and emissions of the actual crude being loaded will be determined and documented in an operational ongoing manner. Include any monitoring, testing, recordkeeping and reporting methods to be relied upon for continuous compliance determinations.
- 2) Given the presentation of emissions estimates generated during loading operations, the text appears to imply but does not definitively state that the emissions capture is assumed to be 100 percent (%) for the VLCC or ship to be loaded. If this assumption is being made, please provide substantiation and detailed explanation/rationale that the vessels to be loaded will indeed have the ship's holds and associated vapor space 100% leak free while in port and also while being loaded. If there are emissions that can originate from the ship while in port from the cargo hold, from the vapor space associated with such holds or from the product or vapor space piping, please include that analysis along with the equations or emissions factors and calculated emissions and supporting equations from those sources. In addition, please include the proposed monitoring, testing, recordkeeping and reporting that will assure that the emissions from the ship cargo or cargo hold related vapor space are properly characterized and maintained at or below the represented emissions rate and total emissions estimated while in port. If TGL is relying in whole or in part on international standards for the control of cargo and vapor space emissions while the ships are in port, please indicate how those will be implemented and documented for each vessel calling at the port.

In the discussion concerning control of hazardous air pollutants, TGL indicated that an analysis of those applicable requirements for area sources will follow under separate cover. Please provide TGL's full regulatory applicability analysis for the proposed project as part of the application submittal.

3) TGL's applications reference the vapor processing equipment onboard the Offshore Service Vessel (OSV) and characterizes the vapor processing system, including the Gas Turbines to control the vent stream from the vapor processing module as capable of reducing marine loading related emissions by over 97%. However, no supporting information is provided about the vapor processing system such as its design and operating characteristics, or how one is to assure that the system is running and achieving the referenced emissions reductions in an initial and also an ongoing manner for compliance assurance purposes. This information is a critical component of the overall design and operation of the port as the vapor recovery and control system is the key means of controlling a marine loading vent stream capable (the application indicates) of producing over 3000 lbs/hr VOC emissions which in not insubstantial part, are also characterized as hazardous air pollutants.

Please provide a detailed explanation of the operating characteristics of the vapor processing system, the potential emissions streams (such as bypass vents, if any), and plans for how the system is to be initially tested to assure its initial compliance. In addition, please include your proposed monitoring methodology on how the system is to be monitored in order to demonstrate continuous compliance in maintaining the emissions reductions being relied upon. Please provide appropriate and specific monitoring, testing (initial and periodic), recordkeeping and reporting methods to assure and demonstrate ongoing continuous compliance. In addition, due to the key nature of the system, please include a scheduled maintenance plan (including a list of critical spare parts) necessary to be readily available to assure proper system operations.